#### December 1, 2002

# SECTION 8 LANDLORD NEWSLETTER LANDLORD NEWSLETTER

## INSIDE THIS ISSUE: 200 SECTION 8 VOUCHERS FOR THE Vacancy Rates

Electronic Fund Transfer

Tenant Selection

Controlling Mold

Section 8 Landlord/Tenant Relationship



ing was awarded 200 vouchers for non-elderly disabled individuals and families. This special funding will be administered by four Independent Living Centers (ILCs) within the state. A listing of Independent Living Centers receiving the vouchers and the counties where families can participate is as follows:

Colorado Springs ILC 21 E. Las Animas Colorado Springs, CO 80903 (719) 471-8181 El Paso

Connections for Independent Living 1024 9th Ave. Suite E Greelev, CO 80631  $(970)\ 352 - 8682$ Weld, Logan, Morgan, Yuma, Phillips, Sedgewick & Washington

Sangre De Cristo ILC 803 W. 4th, Suite C,D,E,F Pueblo, Colorado 81003 (719) 546-1271 Pueblo, Crowley, Custer, Fremont, Las Animas, Kiowa, Otero Prowers, Bent & Baca

Southwest Center for Independence 801 Florida Rd. #3 Durango, CO 81301 (979) 259-1672 La Plata, Montezuma, Archuleta, Dolores & San Juan

ILCs provide a variety of supportive services for the disabled. Their mission is to empower persons with disabilities and to encourage them to live independently within their communities. Most ILCs provide counseling, training for independent living skills, advocacy and home modification services.

DOH conducts a housing authority waiting list survey annually to assess the number of families needing rental assistance. At the start of 2002, DOH identified 6,100 disabled individuals and families needing rental assistance within the state. "Its difficult to tell clients



who have immediate housing needs that there is up to a year wait for housing vouchers. The additional vouchers will go a long way toward meeting the housing needs of the disabled population in the southwest portion of the state," said Larry Whales, Executive Director of the Southwest Center of Independence.

Landlords and property managers are encouraged to contact the ILC if they have rental units they would like to make available for individuals or families with disabilities. Your rental unit will be placed on a list and will be provided to families when they begin their rental housing search sometime in January. For more information, please feel free to contact ILCs or Teresa Duran at the Colorado Division of Housing at (303) 866-2034.



**HAPPY HOLIDAYS FROM** THE **DIVISION** OF **HOUSING** 

### QUICK FACTS ON SECURITY DEPOSITS

A security deposit (or damage deposit) is usually required by a landlord from a renter to cover possible damages to the rental property.

In order to facilitate return of the deposit to the renter, the day of move in, a list of damages and necessary cleaning should be recorded with copies retained by the renter and landlord.

When a renter moves out, the landlord has 30 days to return

the deposit, unless stipulated differently in the written lease (not to exceed 60 days).

If the full amount is not to be refunded, the landlord is required by law to provide a written statement within 30 days explaining the reason for any portion withheld.

If a landlord does not comply with the law, a renter may take legal action.

Page 2 Volume 1, Issue 2



"The mission of the Colorado Division of Housing is to ensure that Coloradoans live in safe, decent and affordable housing. We do this by helping communities meet their housing goals."



"One who lacks the courage to start, has already finished"

# VACANCY RATES INCREASE

The average apartment vacancy rate for Colorado increased to 8.3 % in September from last February's rate of 7.3 % according to a survey released by the Colorado Division of Housing. The average rent for the state for the same time period decreased from \$781 to \$767. A household's annual income needs to exceed \$31,000 to afford this rent. This income equals an hourly wage of \$14.90.

The Colorado Multi-Family Housing Rental and Vacancy Survey provide percentages of the vacancies and rental costs for twenty-one Colorado housing markets outside of the Denver metro area. The September 2002 issue includes survey results from: Alamosa, Aspen, Buena Vista, Canon City, Gunnison, Colorado Springs, Durango, Eagle County, Fort Collins/ Loveland, Fort Morgan/ Sterling, Glenwood Springs, Grand Junction, Greeley, Lake County, Montrose, Pueblo, Salida, Steamboat Springs and Summit County.

It is no surprise that vacancy rates for many Western Slope

communities continue to be very low. Eagle County is reporting a 1.2% vacancy rate. This is a slight decrease in the vacancy rate from last February and housing options remain extremely limited and expensive. Low vacancy rates continue in Montrose-2.4%, Durango—3.3%, Salida—3.9%, Gunnison-1.2% and Steamboat Springs—4%. Among the Front Range communities, Pueblo's vacancy rate of 3.9% is lowest.

The average rent for a two bedroom, one bath apartment ranges from a low \$423 in Salida to \$1,028 in Aspen.

The Colorado Division of Housing (DOH) conducts the semiannual survey every September and February. The survey results provide residents, owners, investors, managers of rental property and state/local government officials with accurate and up-to-date information on the status of the apartment industry. The survey is conducted by Dr. Gordon Von Stroh of the University of

Denver.

Tom Hart, director of DOH, said, "The survey shows a tight rental market remains in several communities, which continues to limit the housing options for many residents. Rental vacancy rates have eased in Northern Front Range communities allowing more housing choice for renters, but housing choices remain limited in the western and southern portions of the state."

Results of the survey can be used to follow average rents and vacancy rates by apartment type, size, and age of building. To participate in the next survey, scheduled for February 2003, contact Dr. Von Stroh, College of Business Administration, University of Denver, Denver, Colorado 80208 or call (303) 871-3435.

Results of the survey are available on the Internet at www..dola.state.co.us/doh/publications.htm.

# **ELECTRONIC FUNDS TRANSFER**

DOH would like to inform landlords and property managers of a process that will have your housing assistance payments deposited electronically directly to your bank account. This process will reduce the paper and time that it takes to have a check sent in the mail. Electronic Funds Transfer is safe and DOH encourages our landlords to take part in this convenient method of payment.

If you would like more information regarding EFT, please contact Antoniette Estrada at (303) 866-4644.

## **Controlling Mold in Housing Units**

The key to mold control is moisture control. High humidity, condensation problems, water leaks, maintenance problems, and HVAC system problems can cause mold to grow. The following steps can be taken to control mold in housing units.

- 1. Wash down the walls with bleach (one cup of bleach for every gallon of water). Leave the bleach on the walls for 15 minutes before you wash it off. Next seal the wall and paint over it. Make sure the area dries off; otherwise, mold will grow on it again. You should also clean any carpets and curtains.
- 2. Make sure workers wear protective clothing and respirators.
- 3. If the problem is located on an outside wall, ensure the gutters and downspouts are cleaned. To correct the problem, the walls still need to be washed and primed and painted.
- 4. Good airflow is critical to avoid mold. Retrofit fans and blowers into the kitchen and bathroom.
- 5. Communicate with tenants in writing regarding the steps they need to follow to reduce apartment humidity -- and the steps you are taking to eliminate mold.
- 6. Engage experts and professionals as required.
- 7. Call your insurance company if the cost is going to exceed your deductible. Your policy may cover the clean up.

### **Tenant Selection FAQ**

### What's the best way for landlords to screen tenants?

Landlords should ask all prospective tenants to fill out a written rental application that includes the following information:

- employment, income and credit history
- Social Security and driver's license numbers
- past evictions or bankruptcies, and
- references.

Before choosing tenants, landlords should check with previous landlords and other references; verify income, employment and bank account information; and obtain a credit report. The credit report is important because it will indicate if a person has a history of paying rent or bills late, has gone through bankruptcy, been convicted of a crime or has ever been evicted.

### Is it legal for a landlord to answer questions about a tenant's credit?

Creditors, banks and prospective landlords may ask a landlord to provide credit or other information about a current or former tenant. Some landlords ask tenants to sign a release giving the landlord permission to respond to such requests.

#### How can a landlord avoid discrimination lawsuits when choosing a tenant?

Fair housing laws specify illegal reasons to refuse to rent to a tenant, such as rejecting an applicant because of her race, religion, ethnic background, sex, age or because she has children or a disability. Landlords are legally free to choose among prospective tenants as long as their decisions comply with these laws and are based on legitimate business criteria. For example, a landlord is entitled to reject someone with a poor credit history, insufficient income to pay the rent, or past behavior -- such as damaging property -- that makes the person a bad risk. A valid occupancy policy limiting the number of people per rental unit can also be a legal basis for refusing tenants. Excerpt from http://www.nolo.com

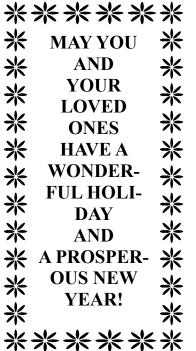


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We are on the WEB! www.dola.state.co.us/doh/index.htm





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## **SECTION 8 LANDLORD/TENANT FAQ**

Over time, the relationship between HUD, and the Landlord and Tenant has changed. Here are a few questions and answers about the Landlord/Tenant relationship that might be useful.

- Q.: As a Landlord, can I check out a prospective Section 8 tenant?
- A.: To help protect your investment, yes, you should conduct a thorough background check on any prospective tenant, not just prospective Section 8 tenants. You may not ask the Housing Agency for this information. You may charge the prospective tenant an application fee that is reasonable and ordinary (the same fee you charge anyone else).
- Q.: Can I ask for a security deposit from a Section 8 tenant? And who pays for damages caused by a Section 8 tenant, if damages exceed the security deposit?
- A.: Yes, you should always get a reasonable and normal security deposit from a Section 8 (or any other) tenant.

If a Section 8 tenant moves from the unit and you are owed money for unpaid rent or damage to the unit, you must collect from the Section 8 tenant in the same manner you would collect from any previous tenant in the same circumstance.

- Q.: Who is responsible for inspecting my property when I lease to a Section 8 tenant?
  A.: Before a Section 8 voucher participant can move into your unit, the unit must pass a Housing Quality Standards (HQS) inspection. At a minimum, the unit must pass HQS annually. HQS is done by the Housing Agency. However, you may inspect your unit when you choose, as long as you give the tenant proper and timely notification. This should be a clause included in your standard lease and should be part of your responsibilities toward any tenant. Consider joining the Housing Agency representative conducting the annual HQS inspection, as well. Regular inspections by you and the Housing Agency can help reveal any maintenance problems before they become serious and costly.
- Q.: Does HUD prohibit me from evicting a Section 8 tenant?
  - Absolutely not. You may choose to evict a Section 8 tenant for the same reasons you would normally evict any other tenant. However, you should notify the Housing Agency that you are taking such action. If you have a good working relationship with the Housing Agency, you might be able to work out any problems with a Section 8 tenant before eviction would become necessary.
  - What should I do if I suspect a Section 8 tenant is involved in criminal activity?
    What would you do if you suspect any tenant is involved in criminal activity? Probably contact the local law enforcement agency. Also, if action is taken by law enforcement, please contact the Housing Agency. The Section 8 tenant may be out of compliance with Section 8 regulations that are not necessarily covered in your lease. The agency will make that determination. Also, if a tenant is incarcerated, the agency needs to be informed.
- Q.: Do I need to use a special lease for a Section 8 tenant?
  - No, your standard lease is acceptable, as long as it does not contain language that is not legal in your jurisdiction. Your attorney can help you with that. However, you will be asked to sign and abide by a Housing Assistance Payment (HAP) contract and a Tenancy Addendum. These documents define your rights and responsibilities as a Landlord, and the Tenant's rights and responsibilities under Section 8 regulations.